United Nations S/2004/885

Security Council

Distr.: General
8 November 2004

Original: English

Letter dated 2 November 2004 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 25 August 2004 (S/2004/685). The Counter-Terrorism Committee has received the attached fourth report from Latvia submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex). I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Andrey I. **Denisov**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

04-60358 (E) 021204

Annex

Note verbale dated 29 October 2004 from the Permanent Mission of Latvia to the United Nations addressed to the Chairman of the Counter-Terrorism Committee

The Permanent Mission of the Republic of Latvia to the United Nations presents its compliments to the Chairman of the Committee and has the honour to forward the attached report on the responses of the Republic of Latvia to the questions of the Counter-Terrorism Committee with regard to the implementation of counter-terrorism measures (see enclosure).

Enclosure

THE RESPONSES OF THE REPUBLIC OF LATVIA TO THE QUESTIONS OF THE COUNTER-TERRORISM COMMITTEE WITH REGARD TO THE IMPLEMENTATION OF COUNTER-TERRORISM MEASURES

1.1 The CTC notes that Latvia has already ratified all twelve of the international instruments on the suppression of terrorism and would, therefore, appreciate receiving an outline of the legal provisions that implement them into domestic law. In this regard, the CTC would like to point out that certain provisions of the international instruments on the suppression of terrorism, such as those provisions establishing specific offences, are not self-executing. Therefore, their implementation would require special provisions be adopted in domestic law in order to enable law enforcement officials and courts to enforce them.

The provisions of all twelve Universal Anti-terrorism instruments are incorporated into the Criminal Law. However, there are specific laws and regulations in place to implement particular provisions of the conventions.

Section 268 of the Criminal Law sets out a penalty for crimes against the safety of civil aviation and maritime navigation.

Section 268. Seizure of an Air or Water Transport Vehicle

(1) For a person who commits seizing an air or water transport vehicle, except vehicles of small dimensions, on the ground, in water or during a flight,
the applicable sentence is deprivation of liberty for a term of not less than five and not exceeding fifteen years.

(2) For a person who commits the same acts, if commission thereof is by a group of persons pursuant to prior agreement or involves violence or threats of violence, or an accident or other serious consequences are caused thereby,
the applicable sentence is deprivation of liberty for a term of not less than ten and not exceeding seventeen years.

(3) For a person who commits acts provided for in Paragraphs one and two of this Section, if the death of a human being is caused thereby,
the applicable sentence is deprivation of liberty for a term of not less than twelve and not exceeding twenty years.

Moreover, the provisions of the Conventions regarding the safety of aviation and maritime navigation require establishing a penalty for acts committed on board of aircraft or water transport vehicle. The Criminal Law does not provide separate penalty for acts of violence committed on board of aircrafts or water transport vehicles. All offences penalised in accordance with the Criminal Law in the territory of Latvia also shall be penalised if they are committed on board of an aircraft. In this regard please see Section 3 of the Criminal Law below.

Section 3. Applicability of The Criminal Law to Aircraft, and Sea and River Vessels Outside the Territory of Latvia
A person who has committed a criminal offence outside the territory of Latvia, on an aircraft, or a sea or river vessel or other floating means of conveyance, if this means of conveyance is registered in the Republic of Latvia and if it is not provided otherwise in international agreements binding upon the Republic of Latvia, shall be held liable in accordance with this [Criminal] Law.
If an aircraft or a water transport vehicle registered in foreign Sate landing in the territory of Latvia and if it has been sized or criminal offence has been committed on board, and if the foreign Sate is not in a position to realize its jurisdiction, the jurisdiction of Latvia shall apply. Afterwards a person or persons committed criminal offence may be extradited to State concerned in accordance with international law applicable.

A penalty for crimes against internationally protected persons is set out in Section 87 of the Criminal Law.
Hostages taking is penalised under Section 154 of the Criminal Law, which reads as follows:
(1) For a person who commits seizure or detaining of a person as a hostage, if such is associated with threats of murder, infliction of bodily injury or further detainment of such person for the purposes of compelling a state, international organisation, natural or legal person or a group of persons to do some act or refrain from doing such, proposing this as a condition for the release of the hostage,
the applicable sentence is deprivation of liberty for a term of not less than three years and not exceeding twelve years, with or without confiscation of property.
(2) For a person who commits the same acts, if commission thereof is against a juvenile, or is repeated, or by a group of persons pursuant to prior agreement, or serious consequences are caused thereby,
the applicable sentence is deprivation of liberty for a term of not less than five years and not exceeding fifteen years, with confiscation of property.

The penalty for the unlawful possession, use, transfer of nuclear materials is set out in Section 73 and it reads as follows:
For a person who commits manufacture, amassment, deployment or distribution of nuclear, chemical, biological, bacteriological, toxic or other weapons of mass destruction,
the applicable sentence is life imprisonment or deprivation of liberty for a term of not less than three and not exceeding twenty years.
Moreover, if a person possesses, uses or manufactures nuclear materials for purpose to commit act of terrorism, the person shall be held liable in accordance with Section 88 of the Criminal Law setting out a penalty for terrorism and Section above.

For the implementation of the Convention in the Marking of Plastic Explosives for the Purpose of Detection, please see responses provided to question 1.13.

For the implementation of the Convention for the Suppression of Terrorist Bombings please find below Section 88 of Criminal Law. which shall be read in conjunction with Sections 3 and 4 of the Criminal Law:

Section 88. Terrorism

(1) For a person who commits causing an explosion or fire, or other intentional acts directed towards destruction of human beings or infliction of bodily injury to or other harm to the health of human beings, or commits destruction or damaging of undertakings, structures, oil or gas lines, power lines, transport routes and means of transport, telecommunications networks, ionising radiation facilities or other property of national significance for purposes of harming the Republic of Latvia or its inhabitants, or causes, for the same purposes, a nuclear accident, radiation accident, mass poisoning, or spreading of epidemics and epizootic diseases,

the applicable sentence is life imprisonment or deprivation of liberty for a term of not less than eight and not exceeding twenty years, with confiscation of property.

(2) For a person who, employing explosion or fire, or the causing of a nuclear or radiation emergency, or other generally dangerous means, intentionally commits violent acts, dangerous to life or health, against persons, or destruction or damaging of the property of another person, or commits the threatening of such acts, presented as a term of cessation of the violent acts, where there is reason to believe that these threats may be carried out, with the purpose of inducing the State, its institutions or international organisations to take any action or refrain from any actions,

the applicable sentence is life imprisonment or deprivation of liberty for a term of not less than fifteen and not exceeding twenty years, with confiscation of property.

Section 3. Applicability of The Criminal Law to Aircraft, and Sea and River Vessels Outside the Territory of Latvia

A person who has committed a criminal offence outside the territory of Latvia, on an aircraft, or a sea or river vessel or other floating means of conveyance, if this means of conveyance is registered in the Republic of Latvia and if it is not provided otherwise in international agreements binding upon the Republic of Latvia, shall be held liable in accordance with this Law.

Section 4. Applicability of the Criminal Law Outside the Territory of Latvia

(1) Latvian citizens and non-citizens, and aliens or stateless persons who have a permanent residence permit for the Republic of Latvia, shall be held liable in accordance with this Law for a criminal offence committed in the territory of another state.

(2) Soldiers of the Republic of Latvia who are located outside the territory of Latvia shall be held liable for criminal offences in accordance with this Law, unless it is provided otherwise in international agreements binding upon the Republic of Latvia.

(3) Aliens and stateless persons who do not have permanent residence permits for the Republic of Latvia and who have committed especially serious crimes in the territory of another state which have been directed against the Republic of Latvia or against the interests of its inhabitants, shall be held criminally liable in accordance with this Law irrespective of the laws of the state in which the crime has been committed, if they have not

been held criminally liable or committed to stand trial in accordance with the laws of the state where the crime was committed.
(4) Aliens or stateless persons who do not have a permanent residence permit for the Republic of Latvia and who have committed a criminal offence in the territory of another state, in the cases provided for in international agreements binding upon the Republic of Latvia, irrespective of the laws of the state in which the offence has been committed, shall be held liable in accordance with this Law if they have not been held criminally liable for such offence or committed to stand trial in the territory of another state.
Terrorism in accordance with domestic legislation and international agreements binding for Latvia is extraditable crime.

For implementation of the International Convention for the Suppression of the Financing of Terrorism, please see Latvia's previous reports to the CTC and information provided below.

Effectiveness in the protection of financial system

1.2 Regarding the suppression of the financing of terrorist acts under the effective implementation of sub-paragraph 1(a) of the Resolution, the CTC would appreciate learning whether the Latvia Financial Intelligence Unit (FIU) is adequately structured, empowered and staffed (with human, financial and technical resources) to enable in to carry out its mandate. Please provide data in support of your response to the above question.

The Latvian FIU is adequately staffed and receives sufficient funding to fulfil the tasks entrusted to it under the Law On the Prevention of Laundering of Proceeds Derived from Criminal Activity, including combating the financing of terrorism.
The Latvian FIU has very strict and high standards of staff selection, therefore only high-level professionals in the field of financial intelligence compose the staff of the FIU.
It is important to note that the Law On Prevention of Laundering of Proceeds Derived from Criminal Activity provides for the following:

- terrorism is recognized as a predicate offence;
- financial resources and other property are classified as proceeds derived from crime if they are directly or indirectly controlled or owned by a person (natural or legal) included in the terrorist watch list based on suspicion of carrying out acts of terrorism or participation in such acts;
- the Latvian FIU is the authority that disseminates the information on the persons - included in the list – to credit and financial institutions;
- the Latvian FIU is authorized to demand credit and financial institutions to suspend debit operations with financial resources in the accounts of such persons or suspend movement of other property of such persons for the period of time up to six months;

- the powers of the Latvian FIU with regard to cooperation has been extended allowing it to cooperate with foreign or international anti-terrorism agencies concerning the issues of control over movement of financial resources or other property linked to terrorism.

Alongside the measures referred above, it has to be highlighted that the amendments to the Regulation of the Cabinet of Ministers of March 20, 2001 No. 127 "On the List of Indicators Pertaining to Unusual Transactions and the Reporting Procedure" supplements the mandatory responsibilities of credit and financial institutions. These institutions must report to the FIU about transactions involving persons, which have been included in the terrorist watch list (which is made available to credit and financial institutions by the Latvian FIU) based on suspicion of carrying out terrorist acts or complicity in such acts. This keeps the FIU informed of the transactions performed by terrorists and their accomplices and allows the FIU to freeze the movement of such funds.

1.3 In the context of the effective implementation or sub-paragraph 1 (a), (b), and (d) of the Resolution, has Latvia adopted measures to prevent terrorists from having unfettered access to wire transfers to move their funds? In particular, the CTC is interested in measures with regard to:

- ***Monitoring the compliance of financial institutions with the rules and regulations governing wire transfers (cross-border and domestic)***

All financial and credit institutions shall inform the FIU on all unusual and suspicious transactions falling under the abovementioned regulation (see response to question 1.2). Furthermore, if a financial or a credit institution refuse to comply with request of the FIU regarding freezing of the financial funds of persons and entities indicated in the terrorist watch list (elaborated in accordance with Regulation of the Cabinet of Ministers ''Lists of Persons Suspected for Commitment of or Complicity in the Commitment of Terrorism Issued by States or International organizations''), it shall be a subject to criminal liability (Article 84 of the Criminal Law). Moreover, the Credit institution shall provide adequate and complete information regarding transactions falling under the regulation of the Cabinet of Ministers ''On the List of Indicators Pertaining to Unusual Transactions and the Reporting Procedure''. A credit institution shall ensure, that all reports made by it and submitted to the FIU are confidential. If a credit institution fails to comply with the requirements prescribed by law or regulation of the Cabinet of Ministers, a special administrative penalty is imposed in accordance with the Administrative Penal Code. The legislation of Latvia does not provide different structure and methods of control for domestic or cross-border transfers.

- ***Detecting such misuse when it occurs, in particular by ensuring that basic information on the originator of wire transfers is immediately available to the appropriate authorities.***

A credit institution shall immediately report to the FIU if it obtains information regarding transactions meeting the requirements of the Regulation on unusual transactions. After obtaining the information on transactions referred above the FIU shall take all necessary measures prescribed by law to assay the origin of the assets transferred and if it is necessary to freeze these

assets without delay. The FIU is also authorized to obtain information on transfers regarding which the FIU has information indicating that the particular transfer meets the requirements of the Regulation on unusual transaction.

1.4 Effective implementation of sub-paragraph 1 (a) of the Resolution requires States to impose legal obligation to report unusual and suspicious transactions to the competent authorities, on all professionals engaged in financial transactions, as well as on other intermediaries such as lawyers, notaries, estate agents and accounts when they are involved in brokering activities. The CTC would appreciate receiving a progress report on the mechanisms that would extend the reporting obligation to all professions involved in financial transactions.

The Law On the Prevention of Laundering of Proceeds Derived from Criminal Activity through the amendments of this year (effective 01.02.2004) implements the EU directives 91/308/EEC and 2001/97/EC. Thus, all the required professions and institutions have been covered.
Section 2 of the Law On the Prevention of Laundering of Proceeds derived from Criminal Activity sets out following:
(1) This Law determines the duties and rights of the persons referred to in Paragraph two of this Section and their supervisory and control authorities regarding the prevention of the laundering of the proceeds from crime, as well as the procedures for establishing an Office of the Prevention of Laundering of Proceeds Derived from Criminal Activity (hereinafter – the Control Service) and an Advisory Board, and the duties and rights of these institutions and authorities.
(2) The requirements of this Law shall apply to
1) participants in the financial and capital markets, including:
a) credit institutions,
b) insurers, private pension funds and insurance intermediaries,
c) stock exchanges, depositaries and brokers of brokerage companies, and
d) investment companies, credit unions and investment consultants;
2) organisers and holders of lotteries and gambling;
3) undertakings (companies), which are engaged in foreign currency exchange;
4) natural and legal persons who perform professional activities associated with financial transactions (provision of consultations, authorisation of transactions), including:
a) providers of postal services and other similar institutions, which perform money transfers and transmissions,
b) tax consultants, sworn auditors, sworn auditor commercial companies and providers of financial services, except in cases which are associated with the pre-trial investigation professional activities thereof or within the scope of court proceedings,
c) notaries, advocates and their employees and self-employed lawyers if they assist their client to plan the management of financial instruments and other resources, the opening or management of various types of accounts, the organisation of the necessary investments for the creation, operation and management of undertakings (companies) and similar structures,

as well as if they represent their client or act on his or her behalf in financial transactions or transactions with immovable property, except in the cases which are associated with the fulfilment of the defence or representation function in court proceedings,

d) persons whose professional activity includes trading in immovable property, means of transport, art and cultural objects, as well as intermediation in the referred to trading transactions, and

e) performers of economic activities who are engaged in the trading of precious metals, precious stones and the articles thereof.

*1.5 **Further in relation to money laundering and financing of terrorism, the CTC would be grateful for an outline of any specific strategies which Latvia may have developed to enable its investigative agencies effectively to prevent resources being transferred to terrorists.***

At the moment elaboration of new strategies are not planed in the field of money laundering or financing of terrorism. Taking into account that Latvia in recent years has developed and implemented many new initiatives regarding this field, the strategies in place need to be developed and improved to work properly and effectively. However, the working party for elaboration of Joint Action Coordination Centre is established by order of Prime Minister. The primary aim of this Centre would be the coordination of actions taken by different authorities in the field of suppression of terrorism, inter alia, money laundering and financing of terrorism.

Effectiveness of counter-terrorism

*1.6 **Effective implementation of paragraph 2 of the Resolution requires each Member State, inter alia, to have in place effective police, intelligence and/or other structures as well as adequate legal provisions to detect, monitor and apprehend those involved in terrorist activities, as well as those supporting terrorist activities, with a view to ensuring that such persons are brought to justice. In this regard, the CTC would appreciate learning how the work of the various agencies charged with the enforcement of the Resolution is coordinated in practice. Do the legal provision in force in Latvia authorise the appropriate authorities to share public and non-public information with their domestic and foreign counterparts? If yes, please provide an outline of the applicable legal provisions.***

According to the Law on Implementation of the Sanctions of International Organizations (in force since April 14, 2000) the Cabinet Regulations are issued to implement sanctions against the particular States. These Regulations specifies competencies of different government agencies. Lists of persons and entities are sent to financial bodies as well as to authorities dealing with immigration issues. Lists are updated on the regular basis and information is included in the local black lists. When activities of listed (designated) persons are detected information is forwarded to the relevant law enforcement authorities to perform their duties according to their powers.

1.7 With a view to bringing terrorists and their supporters to justice, the CTC would be grateful to know whether Latvia has taken measures to protect vulnerable targets involved in the prosecution of terrorist crime (e.g. protection of victims, persons collaborating in the pursuit of justice, witnesses, judges and prosecutors). Please describe the legal and administrative provisions in force in Latvia that ensure the protection of such persons. Could Latvia also indicate whether, and if so how these measures could be utilized in cooperation with, or at the request of another State?

Protection of victims and witnesses is carried out in accordance with a procedure established by the Criminal Procedure Code. No specific procedure is envisaged for cases of terrorism. Specific procedural protection of victims and witnesses or persons whose endangerment could influence a person bearing witness, in the case of especially serious crimes is provided by Chapter 9.A of the Code of Criminal Procedure. This Chapter also provides the possibility to apply the specific procedural protection to the suspects, the accused, possible defendants and persons convicted for serious or especially serious crimes, if the person is bearing witnesses in the case of an especially serious crime.

Terrorism or crimes linked to different forms and manifestations of terrorism are considered as criminal offences by the Criminal Procedure Code during the investigation of which the specific procedural protection may be applicable on following conditions:

1. life, property or other lawful interests of a person bearing witness have been endangered;
2. a threat to endanger the above has been expressed;
3. there are grounds to believe that the endangerment may be carried out.

1.8 Within the context of the implementation of sub-paragraph 2(e) of the Resolution, the CTC would be grateful to know how Latvia ensures that there is adequate cooperation and information sharing among the various government agencies and other competent authorities that may be involved in investigation the financing of terrorism.

Cooperation and information sharing is performed on a regular and ad-hoc basis, but to improve the existing mechanism a governmental working party is established to elaborate coordination mechanism for cooperation and information sharing between different governmental agencies and other competent authorities dealing with terrorism financing issues. See response provided to question 1.5.

1.9 The CTC would appreciate receiving a progress report on the enactment of the Law on Criminal Procedure that, according to the third report form Latvia (at page 5), has been placed before Parliament for approval. Please indicate when it is anticipated that this new Criminal Procedures Law will take effect.

In accordance with the Rules of Procedure of Saeima all acts of legislation shall be accepted within 3 readings. At the moment the new Criminal Procedure Law is accepted in the second reading and it has been prepared for submission to the third reading.

Due to the discussions between academicals and legal experts, which recently took place, it could not be done possible earlier.

Effectiveness of custom, immigration and border controls

1.10 Effective implementation of paragraphs 1 and 2 of the Resolution requires the operation of effective costume and border controls with a view to preventing and suppressing, inter alia, the financing of terrorist activities. Does Latvia impose controls on the cross-border movement of cash, negotiable instruments, precious stones and metals (for example, by imposing on obligation to make a declaration, or to obtain prior authorisation before such movement take place)? Please also provide information concerning any relevant monetary or financial thresholds.

The customs duty has been charged to precious stones and metals in accordance with the Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff, excluding the cases provided by Council Regulation (EEC) No 918/83 of 28 March 1983 setting up a Community system of reliefs from customs duty.
The obligation to make a declaration in case of cross-border movement of cash is not yet in place, but a working party for elaboration of the Regulation on Standards for Declaration of Cash has been established.

1.11 The CTC would appreciate knowing what internal review procedures exist to insure integrity within Latvian Customs Border? How many internal affairs investigations result in punitive actions?

The main body responsible for review procedures among the authorities involved in insuring the effective work of Latvian Customs system is the State Revenue Service and in particular following bodies of the Sate Revenue Service:
1. Regional Bodies Supervision Division;
2. Administration of the Financial Police;
3. Administration of Inner Audit;
4. Division for Inspection of Principal Custom Administration

In accordance with information received form the State Revenue Service statistical data for recent years is not available, but in year 2004 till now 61 official was held liable for different kinds of lapses, inter alia, 3 officials has been cashiered.

1.12 Effective implementation of sub-paragraph 2 (c) and (g) of the Resolution requires the enforcement of effective custom, immigration and border controls in order to prevent the movement of terrorists and establishment of safe havens. In regard:

• ***Please outline how Latvia implements the common standards set by the World Custom Organization in relation to electronic reporting and promotion of supply chain structure?***

Latvian Custom authorities have in place the system of electronic reporting to detect movement of all goods crossing Latvian custom border. This system is based on national and international standards set out by different legal instruments elaborated by national or international authorities. Moreover, the Latvian Custom Service has established a mechanism of information exchange with foreign custom authorities for goods, which might be obtained illegally or deemed for illegal purposes.

• ***Is the supervision of people and cargo in Latvia undertaken by separate agencies (immigration and custom) or does one and the same body undertake it? If there is more than one agency involved, do these agencies share information and coordinate their activities?***

The Custom Service and the State Border Guard are separate bodies with out subordination. The Custom Service is the body of State Revenue Service, but the Ministry of Interior subordinates the State Border Guard. However, these both authorities must coordinate their actions under the law. The database on vehicles crossing Latvian border is created, supplemented and available to the both authorities. Moreover, they have to exchange information available to improve effective border control on regular basis.

• ***Since smugglers have an incentive to shop for weak border crossing, especially when they are in close proximity as they are among Estonia, Latvia and Lithuania, what mechanism does Latvia have for sharing Custom intelligence with neighbouring States?***

The co-operation between Latvia, Estonia and Lithuania is carried out in accordance with the Council Regulation (EC) No 515/97 of 13 March 1997 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters. In the frame of mutual co-operation, regular exchange of information and coordination of actions on operational level is taking place.

• ***Please outline the legal and administrative procedures developed by Latvia in order to protect its airports, as well as its ports and offshore installations. Do Latvia's competent authorities have procedures in place periodically to review and update transport security plans?***

Since year 1997 the National Conception on State Security is in place. This Conception had been amended for several times to improve the mechanism of cooperation among authorities involved. On the basis of this Conception many more conceptions, programs, laws and regulations have been elaborated. Taking into account the importance of safety of civil aviation separate Conception approved by the Cabinet of Ministers has been

elaborated. The main goal of this Conception is to improve coordination of actions taken by the authorities involved. According to this Conception the central authority responsible for safety of civil aviation is the Administration of Safety of Civil Aviation.

1.13 Sub- paragraph 2(a) of the Resolution requires each Member State, inter alia, to have in place appropriate mechanism to deny terrorists access to weapons. With regard to this requirement of the Resolution, as well as to the provisions of the Convention on the Marking of Plastic Explosives for the purpose of Detection and the International Convention for the Suppression of Terrorist Bombings, please provide the CTC with information relating to the following questions:

A) Legislation, regulations, administrative procedures
What national administrative procedures exist to exercise effective control over the production of firearms, ammunition and explosives in the following areas?
(Production, Import, Transit):

Neither manufacture of arms, ammunition or other military goods nor the stockpiling of spare arms or ammunition takes place in Latvia. Therefore, main attention is given to matters concerning the re-transfer and transit of arms and ammunition.
The penalty for unlawful transfer of strategic goods (weapons, ammunition ect.) across the Latvian custom border is set out in part 3 of Section 190 of the Criminal Law, which reads as follows:
(3) For a person who commits smuggling, where committed by an organised group, or who commits smuggling of narcotic, psychotropic, powerfully acting, poisonous or radioactive substances, goods or other valuable property of strategic significance, explosive substances, firearms, ammunition, gas pistols (revolvers) or cartridges for such, gas cylinders filled with noxious substances or special devices containing toxic or powerfully acting substances,
the applicable sentence is deprivation of liberty for a term not exceeding ten years, with confiscation of property.

According the Law On the Handling of Weapons (into force since 1st January, 2003):
Chapter VIII
Commercial Handling of Weapons, Munitions, Explosives, Explosive Devices,
Special Means and Pyrotechnic Articles
Section 36. Regulations Regarding Commercial Handling of Weapons, Munitions, Explosives, Explosive Devices, Special Means and Pyrotechnic Articles:
(1) In order to engage in the manufacture (production) of weapons, munitions, explosives, explosive devices, special means or Class 1, 2, 3 and 4 pyrotechnic articles, individual components or accessories of such items, as well as in the repair of weapons and special means (except gas sprays for self-protection), in the organization of commercial exhibitions of such articles, in distribution in the wholesale or retail trade thereof, export, import or transit or to provide services in relation to referred to articles, a merchant shall have a special permit (license) for individual types of commercial activities. The State Police in accordance with the procedures

specified by the Cabinet may determine individual types of Class 1 pyrotechnic articles for the import, export and realization of which a special permit (license) shall not be required.

(2) Legal persons the participants, heads and persons holding positions in the merchant administrative authorities of which are Latvian citizens or European Union citizens who have reached at least 21 year of age, if the restrictions specified in Section 20 of this Law (except the restrictions referred to in Section 20, Clause 5) do not apply thereto, and the employees of the relevant merchant are directly related to the manufacture (production), repair, realization, possession, transportation of the items referred to in Paragraph one of this Section, and the provision of services or security related thereto are Latvian citizens who have reached at least 21 year of age, if the restrictions specified in Section 20 do not apply thereto and State security institutions do not have information that the activity of the relevant merchant is directed against the security of the Republic of Latvia or violates the restrictions included in the international agreements or specified by the international organizations are entitled to receive special permits

Section 37. Special Permits (Licenses)

(1) The Ministry of the Interior shall issue the special permits (licenses) referred to in Section 36 of this Law, which grant the right to manufacture (produce), repair, display in exhibitions, realize, export, import or transport in transit:

1) Category A weapons and munitions for the needs (import) of such legal persons to which the right to acquire specific Category A firearms and munitions has been provided for in this Law;

2) Category B, C and D sports and smooth-bore hunting firearms;

3) Category B and C rifled sports or hunting firearms the calibre of which is not more than 12.7 millimetres (0.5 inches);

4) Category B short-barrelled firearms intended for self-defence the calibre of which is not more than 9 millimetres;

5) pneumatic weapons;

6) non-firearm weapons;

7) special means (except the repair thereof);

8) Class 1, 2, 3 and 4 pyrotechnic articles (except the repair thereof);

9) munitions (except the repair thereof) of Category B, C and D sport, hunting firearms and firearms intended for self-defence, pneumatic weapons or gas pistols (revolvers), components and accessories thereof; and

10) explosives (including gunpowder) or explosive devices (except the repair thereof).

(2) The Ministry of Defence shall issue the special permits (licenses) referred to in Section 36 of this Law:

1) for the import, export and transit of military weapons (including components and accessories thereof), munitions thereof, military explosives, explosive devices, military pyrotechnics, propellants, gas grenades and such munitions filled with substances of irritating or paralysing effect and not intended for gas pistols (revolvers), as well as light and sound devices of psychological effect – for the needs of the National Armed Forces and the institutions of the system of the Ministry of the Interior;

2) for the manufacture (production) of military weapons (including components and accessories thereof), munitions thereof, military explosives, explosive devices, military pyrotechnics, propellants, gas grenades and such munitions filled with substances of irritating or

paralysing effect and not intended for gas pistols (revolvers), as well as for the manufacture (production) of light and sound devices of psychological effect; and

3) for the performance of blasting or the provision of pyrotechnic services – for the needs of the National Armed Forces.

B) Export Control

Plastic explosives and their precursors under the EU list No: 2003/C314/01 are controlled as strategic goods in the Republic of Latvia and has the same licensing and control procedure as it is for other strategic goods, as follows:

The Control Committee of Strategic Goods is an institution in charge of controlling circulation of strategic goods, including small arms and light weapons, in the territory of the Republic of Latvia. It is authorized to control the system of manufacture, storing, use, export, import and transit of strategic goods in Latvia, and issuing licences for transactions in export, import and transit of strategic goods.

The licensing agency preparing licences for export, import and transit is the Division of Export Control of Strategic Goods of the Ministry of Foreign Affairs of Latvia. Duties of the Division include accepting applications for export, import and transit licences and other documents indicated in the Law on Circulation of Strategic Goods from legal persons, and pre-licensing control, preparing licences for the Committee approval; co-operation with other Ministries concerning licensing issues; technical expertise of goods; issuing Committee approved licences and import certificates and end-use certificates to legal persons; providing information on compliance of export, import and transit goods to lists of strategic goods; monitoring manufacture, storage, use and trade of strategic goods; establishing and maintaining a data base of documents related to strategic goods and their circulation, and providing necessary information to enterprises and Governmental institutions.

Types of licences and procedure for receiving of them are provided in recently adopted "Law on Circulation of Strategic Goods". This law include the following essential provisions:

Licences valid for 6 months are issued to enterprises registered within the Latvian Commercial Register or governmental institutions for each separate export, import and transit transaction in strategic goods, including arms and weapons. The licensing procedure is similar for dual-used goods as well as arms, weaponry and ammunition. There are no restrictions for quantity or value.

In order to receive a licence, an enterprise or a governmental institution must submit to the Division of Export Control of Strategic Goods of the Ministry of Foreign Affairs of Latvia a licence application addressed to the Committee on a specific form, attaching:

- Registration certificate for commercial operations;
- Contract or invoice (or copies thereof), international import certificate of the importing country and/or end-use certificate, permit or other equivalent document - only for export and transit.
- The foreign international import certificate (or equivalent document) may be in any language. If it is not in English, German or Russian, a translation approved by notaries must be attached.

If the exporting country's export licence and importing country's import certificate, licence or end-use certificate have been issued for the transit of strategic goods, including arms and weapons, and no Latvian enterprise is involved in the transit operation, no Latvian transit licence is required. But if a Latvian enterprise is transporting goods in transit outside Latvian Customs borders, a licence is necessary.

The Division of Export Control of Strategic Goods of the Ministry of Foreign Affairs of Latvia may request from the enterprise additional information on the origin of goods, their technical description and certification of end-use. Moreover, the Division may indicate in the licence, import certificate or end-use certificate the stipulations whose compliance are compulsory to the enterprise.

When signing the licence application, the entrepreneur certifies by signature that according to information at his disposal, the goods will not be used in relation to weapons of mass destruction or devices of their delivery, and also the awareness of the regulations regarding control of strategic goods in Latvia and that violation of these regulations or providing false information is penalised.

The presence of certificate of end-use is the precondition for export in or transit through the territory of Latvia. The requirements and conditions for the certificate of end-use are drawn-up in accordance with the requirements of EU Code of Conduct and shall be required as provided in the Law on Circulation of the Strategic Goods.

By signing the Import Certificate and the End-Use Certificate the importing entrepreneur certifies that the goods will not be used for production of weapons of mass destruction and means for their delivery, as well as its awareness that these goods are circulated in accordance with the laws of Latvia and the exporting country and that violation of these regulations or providing false information is penalised. The importer also undertakes not to divert, re-export or trans-ship the goods without a written permission of the Division and the export control authorities of the foreign exporting country, as well as to inform the export control authorities, in case it has come to their knowledge that the goods might be used for production of WMD or means for their delivery.

All documents related to export control (licenses, import certificates, end-use certificates and others) are made by the Division using computerized system and all available information are stored in the main database.

The databases of controlled goods contains information on:

1. avionics, navigation and spare parts of aircraft (most often changeable spare parts and components of aircraft with reference to businessmen involved);
2. munitions (technical and ballistic characteristics and pictures of cartridges of 450 different caliber);
3. pistols and revolvers (with pictures and technical characteristics of more than 1200 weapons);
4. rifles (with pictures and technical characteristics of more than 900 weapons);
5. dual-use chemicals or materials, chemicals listed in the CWC, Conventions of the Narcotics and Psychotropic substances, WA Munitions List (more than 1500 names of chemicals with synonyms, which for some substances are more than 2500 and the list of businessmen dealing with certain chemicals).

Custom authorities play an essential role in the enforcement of export, import and transit control of strategic goods. They are responsible for operational supervision and enforcement of export rules. They have to control at the cross-border points whether:

- the exporter, importer and enterprise involved in transit have a valid license;
- the quantity and quality of goods are in accordance with license;
- the export, import and transit documentation is consistent with license.

C) Brokering

According to Law on Circulation of the Strategic Goods a licence is required for export, import and transit of each part of strategic goods, including small arms and light weapons. The enterprise must hold a transit licence also in cases when parts of small arms and light weapons are transferred outside the Customs borders of Latvia.

D) Stockpile management and security

Latvia has national standards and procedures for the management and safety of armouries of light weapons, established in accordance with the Law on Arms Circulation of June 6, 2002 and a number of regulations.

The supervision and control of armouries and enterprises engaged in the trade of arms are carried out by the State Police of Latvia:

E) Law enforcement/illegal trafficking

Information concerning illegal trafficking in firearms is provided above.

Latvian authorities cooperate with the INTERPOL system of tracking in firearms.

F) National point of contact

The working party for elaboration of Joint Action Coordination centre is established by order of the Prime Minister. After this Centre would be established it will be the main coordinator of all actions taken at national level for the suppression of terrorism.